

in California and Australia and the great extension of railways. The gold discoveries worked a revolution in the proportions of the precious metals available for monetary uses, such as had only been worked by the discoveries of the treasures of Mexico and Peru more than three centuries before. The gold product of 358 years, from 1492 to-1850, had averaged only about \$9,000,000 per year,¹ when it was suddenly swelled to an average of \$133,000,000 from 1851 to 1860. President Buchanan estimated the production of the United States alone for the eight years ending in 1857 at \$400,000,000. Prices did not advance in proportion to the increase in the volume of metallic money, because they were regulated by credit and because a large part of the new money was absorbed by the lateral expansion of commerce in quantity, but enterprises of all kinds received a stimulus unheard of in the history of the world.

To this influence of the doubling of the supply of the precious metals, as if by magic, was added the influence of railway extension. The railway mileage built in the United States in 1856 was 3642 miles,³ and the construction for the nine years ending with 1857 was 21,000 miles. This construction, forming seven-ninths of the entire mileage of the country, had absorbed \$700,000,000, largely in foreign capital. England and the Continent had witnessed a similar absorption of circulating capital. Over four thousand miles of railway had been built in England since 1850 at an expense of £150,000,000, doubling the mileage of the country. * So rapid was the development in every branch of American life that, in the language of Professor Von Hoist, "It was

¹ Prof. Adolph Sootbeer gives the aggregate production from 1493 to 1850 as 13,258,000,000 marks (13,150,000,000), and from 1851 to 1885 as 17,810,000,000 (\$4,250,000,000).—Bimetallism in Europe, Sen. Bx. Doc. 34, 50th Cong., 1st Sess., 78. The production from 1885 to Dec. 31, 1895, was about \$1,375,000,000.

* Sumner, *History of American Currency*, 180.

³ These figures are taken from Mr. Rhodes¹ *History of the United States* (IIL, 53), who has made a careful compilation of the essential facts of the crisis in this country.